

IRS SUMMER TAX TIP

ADVICE TO NEWLYWEDS

It may not be high on the list of wedding planning activities, but there are a few simple steps that can help keep tax issues from interrupting your newly-wedded bliss. If you recently married, check out your new tax situation, advises the IRS. You might save money or even prevent the problem of a missing refund check.

The first things to handle are changes of name and address. Later, as tax season approaches, consider whether or not you'll itemize deductions, which tax return form is right for you and what filing status you'll use.

No one should delay the cake cutting or honeymoon because of taxes. But here are some helpful hints for later:

Use the Correct Name

You must provide correct names and identification numbers to claim personal exemptions or the Earned Income Tax Credit on your tax return. If you changed your name upon marrying, let the Social Security Administration know and update your Social Security card so the number matches your new name. Use Form SS-5, Application for a Social Security Card.

Report Your Change of Address

If you or your spouse have a new address, notify the U.S. Postal Service, so that it will be able to forward any tax refunds or IRS correspondence. The Postal Service will also pass your new address on to the IRS, which will update your account. You may also notify the IRS directly by sending Form 8822, Change of Address. Or write to the IRS center where you filed your most recent return and provide your full name, old and new addresses, SSN and signature. Remember to let your employers know about any name or address changes so you'll receive your W-2s after the end of the year.

Get That Refund Check

Each year, the Postal Service returns thousands of tax refund checks as undeliverable, usually because the addressee has moved. Notifying both the Postal Service and the IRS of an address change in a timely manner can help ensure the proper delivery of any refund checks. To check the status of a tax refund, use the IRS's "Where's My Refund?" service or call the toll-free refund line at 1-800-829-1954. If your refund check was returned to the IRS as undeliverable, call the toll-free customer service line at 1-800-829-1040 to arrange for reissuance.

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Select the Right Form

Choosing the right individual income tax form can help save money. Newly married taxpayers may find that they now have enough deductions to itemize on their tax returns. Amounts paid for medical care, mortgage interest, contributions, casualty losses and certain miscellaneous costs can reduce your taxable income, lowering your tax. You must use Form 1040 if you itemize deductions. You cannot claim these deductions if you file Form 1040A or 1040EZ, although you may subtract some other items on these basic forms.

If the tax package you receive in January doesn't have all the forms you need, you may download them from the IRS Web site or call (toll-free) 1-800-TAX-FORM (1-800-829-3676).

Choose the Best Filing Status

Your marital status on December 31 determines whether you are considered married for that year. Married persons may file their federal income tax return either jointly or separately in any given year. Choosing the right filing status may save you money.

- A joint return (Married Filing Jointly) allows spouses to combine their income and to deduct combined deductions and expenses on a single tax return. Both spouses must sign the return and both are held responsible for the contents.
- With separate returns (Married Filing Separately), each spouse signs, files and is responsible for his or her own tax return. Each is taxed on his or her own income, and can take only his or her individual deductions and credits. If one spouse itemizes deductions, the other must also.

Figuring the tax both ways can determine which filing status will result in the lowest tax — usually, it's filing jointly. IRS Publication 501, Exemptions, Standard Deduction, and Filing Information, has detailed information on filing status.

For additional information, see IRS Tax Tip 2004-16, Marriage or Divorce — Check Your Social Security Number, dated January 26, which is located in the Newsroom section of the IRS Web site at www.irs.gov.

The “Where’s My Refund?” service is also available on the IRS Web site. Forms SS-5 and 8822 and the tax return forms can be found on the Web site in the Forms and Publications section.